

Pamphlets on free Trade

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THE VITAL QUESTION.

Shall American Industries be Abandoned, and American Markets be Surrendered?

It is proposed by the advocates of Free Trade to reduce the revenue of the Government one hundred million dollars, by lowering the barriers between the cheap labor of Europe and the well-paid labor of the United States. Labor has made America and owns it. Any changes in our fiscal policy must be made with a view to protecting and stimulating the labor of this country. The removal of one hundred millions of customs duties would have the opposite effect. It cannot be done without reducing the wages of labor to the low level of foreign wages, and without the destruction of flourishing industries, which now give plenty and comfort to millions of households. *It would make the three millions of men now employed in manufactures competing producers instead of buyers of food, and thus bring ruin upon our farmers.*

The people must decide how this reduction of revenue shall be made. The American policy of Protection must either be sustained or abolished. There can be no compromise. A part of the protected labor of the country cannot be selected for destruction, and a part left. The policy which has promoted our metal industries, and given us cheap iron and steel, and that has established textile mills and given us cheap clothing, has likewise developed our mines and increased our flocks. It has also, in the words of Jefferson, *placed the manufacturer by the side of our farmers, and given them the incalculable benefits of home markets.*

TARIFF, OR WAR TAXES?

The real question the country has to face is : Shall the revenue be reduced by lowering the license which foreigners have to pay for

the privilege of American markets, *or shall it be reduced by abolishing internal taxes, which originated in war, and have never been levied in this country except for war purposes?*

Free Traders demand that \$100,000,000 revenue shall come off the customs duties on "necessities." How is this reduction to be distributed?

FREE RAW MATERIALS.

First. They demand "free raw materials." What are these articles? How much will the revenue be reduced? How will the removal of duties now imposed affect American labor? These are fair questions, and must be answered fairly. The chief items on the list of raw materials are flax, flax-seed, wood, coal and iron ore. Take every dollar of the present duty off these articles, and you reduce the revenue less than \$10,000,000.

In many States the flax and kindred industries are of vast importance. *To destroy our wool industry, by admitting wool free, would materially lessen the income of over one million American farmers.* In five years it would destroy the sheep industry of the United States, which now yields 300,000,000 pounds of wool, and, by diminishing the number of sheep, it would increase the price of mutton as a food.

Transfer the mining of coal to Nova Scotia, and of iron ore to Spain and Cuba, and hundreds of thousands of American miners would be compelled to crowd into other occupations or starve.

CRUDE MANUFACTURES.

Second. The customs duties would also have to be removed from crude manufactures. What are these articles? How much will the revenue be reduced? How will the removal of these duties affect American labor?

The list includes many chemical products, pig-iron, scrap-iron, salt, lumber and a number of minor articles required for advanced manufactures. The revenue thus taken off would be less than \$8,000,000. If all raw materials and all crude manufactures were put on the free list, as proposed, the total reduction of revenue would be less than \$18,000,000.

Under a Protective Tariff our chemical industries have flourished, and the number employed has increased from 6000 in 1860, to probably 40,000 in 1887. In this time every product has been cheapened.

Under the protective tariff the production of pig-iron has increased over six-fold. *The cost to the consumer has steadily declined.* To put pig-iron on the free list would deprive of employment vast numbers of the half million people engaged in our metal industries, and lower the wages of those remaining to the level of the foreign wages.

Once in the history of the country—1808 to 1813—we tried free salt, with most ruinous results. The works were abandoned, foreign prices were advanced, and when the war of 1812 broke out the foreign supply was cut off altogether.

In 1860, we produced 13,000,000 bushels of salt, and the price was eighteen cents per bushel. We now produce 40,000,000 bushels, and the price is less than half what it was at the beginning of the Protective period.

FREE TRADE AT LAST.

But after putting raw materials and crude manufactures on the free list, and ruining industries which distribute *hundreds of millions of dollars among our working people, for the sake of reducing the duties* \$18,000,000, the tariff reformers must get rid of \$82,000,000 more revenue in some other way. How is this to be done?

Experience has shown that revenues are not reduced by cutting down tariff duties. As the barriers against an influx of foreign products are lowered, importations and revenues increase. Proof of this is found in our experience under the tariff reductions of 1883. The only sure way to reduce tariff revenues is to place imported articles on the free list, *which is really the aim* of those who now so vigorously assail our Protective policy from the ambush of a Treasury surplus.

Will they strike down the woolen industry? The wool manufacturers of the United States have invested more than a hundred millions of dollars, give employment to thousands of operatives, among whom they annually distribute in wages more than twenty-five millions of dollars, and are the *only consumers of the domestic wool clip*, for which they pay our farmers about \$60,000,000 every year.

Will the blow, then, fall on the silk manufacturers, who employ a capital exceeding \$25,000,000, and pay annually more than fifteen millions of dollars to more than 30,000 operatives? American silks made and used in this country last year, *kept at home among our own people, more than thirty millions of dollars*, which, but for Protection, would have been sent to Europe for foreign silks.

Or shall the steel and iron industries—the most important of all our manufactures—be paralyzed? When the country depended on England for axes, mechanical tools, cutlery, and the numberless necessities of the shop, the farm and the household, prices were double those now ruling, while the articles supplied were vastly inferior. Shall the hundreds of millions of dollars now invested in these industries remain unproductive, *and the army of workmen now employed stand idle* until necessity forces them to accept the low wages paid to European laborers—a contingency against which our tariff is the only barrier?

But upon all importations of woolens, silks, iron and steel, in 1886, we collected less than \$56,000,000 revenue. In order, therefore, to make up the sum of \$82,000,000 required to be taken from the duties on manufactured articles, it will be necessary to reduce the duties to the extent of more than \$26,000,000 on other protected industries.

In the same year, 1886, there was collected about \$25,000,000 from cotton manufactures, earthenware and china, glass and glassware, leather and manufactures of leather, rice, live animals, barley, hay and hops.

Shall Protection on all these articles be removed, with the resulting embarrassment to those now employed in their production, at the demand of a *Free Trade propaganda* which makes the presence of a surplus in the Treasury the pretext for transferring the *very life-blood of American industries* to men beyond the sea, jealous of our growing strength, envious of our accumulating wealth, and chagrined at our prowess and independence?

Shall these enemies of American enterprise and progress succeed in their efforts to wreck our industries, *throw hundreds of thousands of our workingmen out of employment*, and reduce the earnings of those who can obtain work to the dead level of European wages?

THE FRUITS OF PROTECTION.

The wealth of the United States, in 1860, was sixteen thousand million dollars, one-half of which was destroyed during the Civil War. In June, 1887, our wealth touched the imperial figures of sixty thousand millions, earning seven millions each day. In 1860 the wealth of the United States was \$415 per capita; in 1887, \$1000 per capita. In these years of Protection *the United States*

has earned over one-half of the sum added to the world's wealth during that time. We nearly equal Great Britain in production of iron, and excel her in the production of steel. In 1860, manufactures in the United States amounted to \$1,800,000,000; in 1887, to \$7,000,000,000. Our total industries now amount to \$11,000,000,000. The Western States manufactured nearly as much in 1887 as the whole country in 1860. The Southern States alone now make 10 per cent. more pig-iron than was made in the United States in 1860. The annual product of the United States exceeds that of England by more than one-half, and our trade is double that of England. England has increased her commerce less than six times since 1860; the United States has increased her commerce more than six times. While England has increased her export trade four times, the exports of the United States have increased eight times. In these years, *from the third producing power, we have risen to the first.* Up to 1860 the entire exports of the United States were \$9,000,000,000; since then they have amounted to \$14,000,000,000.

Protection has practically created many great industries since 1860—crockery, silk, steel rails, etc.—employing countless laborers, and distributing thousands of millions of money among our people. From no steel rails produced in 1867, we have risen to 1,764,000 tons produced in 1886, cheapening the cost of rails, enabling us to increase our railroads from 30,000 miles to 135,000, and *reducing cost of transportation to less than half what it is in England.* We have now more miles of railroad than all Europe, with rolling-stock worth nine times the merchant marine of England, and our inland trade is twenty times greater than her foreign commerce.

Protection, by creating home markets, has increased the value of our farms from \$6,645,046,007, in 1860, to \$10,192,006,776, in 1880. It has in the same time increased our farm products from \$1,675,724,972 to \$3,726,321,422. Of this vast increase, less than one-tenth has been exported, *more than nine-tenths have been consumed at home.* The want of an adequate home market for our wheat has put our wheat-growers at the mercy of half-civilized India. The only remedy is to diminish production or increase the home market.

Protection has maintained the high standard of wages in the United States. They are double those of England. If the American laborer would live as English laborers do, he could save 37 per cent. of his wages. They save only two per cent. of their wages. American

people should not, and will not, submit to the low standard of wages prevailing in other countries. They decrease the purchasing power and the consuming power of the people. Free Trade in England meant cheap bread, and has ruined her farmers. *Free Trade in this country means cheap labor, diminished power to consume, low prices for farm products, and in the end ruin for our farmers*

Protection has increased the savings of our people. There is deposited in the savings banks of the State of New York alone \$506,000,000, which is \$100,000,000 more than the entire accumulations in the savings banks of England in four centuries.

Protection has diversified as well as created industries. It has opened new and fruitful fields for the employment of women. It has enriched and educated our people, and qualified them for the duties of freemen. *High wages have made happy homes and good citizens.* There never was on this earth a people so free, so prosperous, and with such splendid possibilities, as the sixty millions that dwell in this Republic. *Shall the Protective policy which has accomplished this be overthrown?*

WAR TAXES,

The abolition of internal taxes on tobacco and spirits used in arts and manufactures, etc., with such changes in the present tariff as may be made judiciously in the interest of American labor and industries, would be more than sufficient to satisfy the need for a reduction of revenue. Internal taxes on our own industries serve to perpetuate monopolies and enrich the few. *They are finally paid chiefly by our working people* in the increased cost of tobacco, medicines, and numberless articles of comfort and luxury in daily use, in the manufacture of which alcohol is indispensable, while tariff duties are chiefly paid by foreigners for the right to sell in our markets. They excite dangerous hostility to our own Government among our own people, and deprive the States of an important source of local revenue. They finally encourage the use of inferior and dangerous substitutes for alcohol in the manufacture of all articles in which it is an essential ingredient.

The issue is now squarely presented: Shall we have Free Trade, or shall we reduce the War Taxes?

PERTINENT QUESTIONS BY ROBERT P. PORTER, WHICH HAVE NEVER BEEN ANSWERED.

Why an official report recently published by the London *Daily Telegraph* shows that 30 per cent. of the children of British workmen in London go to school every morning without a mouthful of food?

Why half-penny (one cent) dinners for school children failed in Birmingham and other industrial centers, because the children could not procure money to pay for them?

Why thousands of men are constantly walking the streets of the great industrial centers without food or work?

Why more than 1,000,000, in a population of 35,000,000, are out of work under Free Trade?

Why does John Bright admit that under Free Trade the English farmer has lost in recent years \$1,000,000,000?

Why does Joseph Arch admit that in fifteen years 800,000 persons have given up the cultivation of the soil?

Why have the number of persons engaged in the gainful occupation in England decreased in fifteen years from 14,786,875 to 11,187,564?

Why does Mr. Hoyle say that the forty-second report of the Registrar General shows that "one out of about every seven of our population end their days as paupers?" And, turning to Ireland, why did one in every four of the inhabitants of Connaught (population, 800,000), apply in 1886 for Poor Law Relief?

Why does the reports of the British Postmaster General show that in 1875 artisans and laborers constituted 22.84-100 per cent. of the depositors in Postal Savings Banks, and in 1882 only 17.8-10 per cent.?

Why do women working at the forge and anvil the whole week, making nails, only earn \$2.15?

Why does the current rate of wages for the common laborer rarely exceed 50 cents per day?

Why does Mr. Chamberlain say: "Never before was the misery of the very poor more intense, or the conditions of their daily life more hopeless or more depraved," if Free Trade has been successful?

Why has the cost of pauperism and crime under Free Trade increased from \$30,000,000, in 1840, to \$82,000,000, in 1881?

Why did Mr. Cobden receive during his lifetime \$1,000,000 cash (see Morley's *Life of Cobden*) from the manufacturers of Manchester in payment for his services to bring about Free Trade, if it was a grand principle calculated to benefit the workmen of all countries, and not a means to cut down the wages of labor and increase the profits of monopolists?

Why does one iron and coal firm in the north of England control the annual output of more tons of iron ore than the total annual output of the entire Lake Superior regions, if Free Trade does not create monopolies?

Why has the number employed in the five principal textile industries declined from 919,817, in 1861, to 883,303, in 1886, in England, and the number so employed doubled in the same period in the United States?

Why has the silk industry practically gone to the wall?

Why has the linen industry declined in England in the last twenty years and increased 300 per cent. in protective Germany?

Why have the number of workmen employed in the iron and steel industries in Germany increased since the return to Protection 40 cent., the wages paid 57 per cent. and the average paid to each workman 17.4 per cent.?

Why are these facts substantially true in many other industries in Germany?

Why has Germany increased her exports of manufactured goods under Protection, when Free Traders said she would ruin her export trade by returning to Protection?

Why do the official reports of British Consuls inform us that the German Empire has been so benefited by Protection that it is in the atmosphere; that it is the strongest of the Government's policies?

If Protection has been so ruinous to the United States, why have we, in twenty-five years of it, increased our population 20,000,000? Doubled the population of our cities? Increased our coal product from 14,000,000 to 100,000,000 tons? Increased our iron-ore output from 900,000 tons to 9,000,000 tons? Increased the number employed in our metal industries from 53,000 to 350,000? Increased the number employed in our wood industries from 130,000 persons to 350,000 persons? The number employed in our woolen industries, from 60,000 to 160,000? Robbed England of 55,000,000 customers in the cotton industry? Employ 35,000 instead of 12,000 in the pottery, stoneware and glass industries? Employ 30,000 instead of 6000 in the chemical industry? Increased our railway mileage from 30,000 to 130,000 miles? Increased the number of our farms from 2,000,000 to 4,000,000? And their value from \$6,000,000,000 to \$10,000,000,000? Our production of cereals, from 1,230,000,000 bushels to nearly 3,000,000,000 bushels? Our live stock, from \$1,000,000,000 to more than \$2,000,000,000? Our flocks, from 22,000,000 to 50,000,000? Our wool products, from 60,000,000 pounds to 350,000,000 pounds? The number of persons engaged in gainful occupations, from 12,500,000 to 17,500,000? And our aggregate of wealth to such figures that it makes Americans dizzy to contemplate the totals, and fills the advocates of British Free Trade with envy, hatred and other wrongful passions in trying to explain that which isn't? Why are the wages of the laborer higher here than in any other country? Why do a greater percentage of workingmen own their homes? Why do their children go to school well-fed and well-clothed? Why is labor respected and the workingman supported in every legitimate endeavor to better his condition? Why do a greater percentage of workmen become masters here than in any other country in the world? Why do the intelligent American wage-earners, as a rule, support Protection with their votes, and defeat Free Traders like Hurd and Morrison? Because it is the winning cause, and the cause of the American people. All of which is respectfully submitted.

DEFENDERS OF AMERICAN INDUSTRY.

GEORGE WASHINGTON.

Congress have repeatedly, and not without successs, directed their attention to the encouragement of manufactures. The object is of too much consequence not to insure a continuance of their efforts in every way which shall appear eligible.—*Last Annual Address, December, 1796.*

BENJAMIN FRANKLIN.

Every manufacturer encouraged in our country makes part of a market for provisions within ourselves, and saves so much money to the country as must otherwise be exported to pay for the manufactures he supplies.

ALEXANDER HAMILTON.

An extensive domestic market for the surplus produce of the soil is of the first consequence. It is, of all things, that which most effectually conduces to a flourishing state of agriculture.—*Report on Manufactures, December 5, 1791.*

THOMAS JEFFERSON.

We must now place our manufacturers by the side of the agriculturist. . . . Experience has taught me that manufactures are now as necessary to our independence as to our comfort.—*Letter to Benj. Austin, 1816.*

JAMES MADISON.

It will be worthy the just and provident care of Congress to make such further alterations in the tariff as will more especially protect and foster the several branches of manufacture which have been recently instituted and extended by the laudable exertions of our citizens.—*Special Message, May 23, 1809.*

JAMES MONROE.

Our manufactures require the systematic and fostering care of the Government. . . . Equally important is it to provide at home a market for our raw materials.—*First Inaugural Address, March 5, 1817.*

JOHN C. CALHOUN.

When our manufactures are grown to a certain proportion, as they will under the fostering care of the Government, . . . the farmer will find a ready market for his surplus produce, and, what is of almost equal consequence, a certain and cheap supply for all his wants.

ANDREW JACKSON.

Upon the success of our manufactures, as the handmaid of agriculture and commerce, depends in a great measure the independence of our country, and none can feel more sensibly than I do the necessity of encouraging them.—*Letter to Col. Patterson. May 17, 1823.*

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